



## Panama

### Country Reports on Human Rights Practices - [2002](#)

Released by the Bureau of Democracy, Human Rights, and Labor  
March 31, 2003

Panama is a representative democracy with an elected executive composed of a president and 2 vice presidents, an elected 71-member unicameral legislature, and an appointed judiciary. In 1999 voters elected President Mireya Moscoso of the Arnulfista party. The Constitution provides for an independent judiciary; however, the judicial system was subject to corruption and political manipulation.

Panama has had no military forces since 1989. The Panamanian Public Forces consisted of the Panamanian National Police (PNP), the National Maritime Service (SMN), the National Air Service (SAN), and the Institutional Protection Service (SPI). A 1994 constitutional amendment formally prohibits the establishment of a permanent military, although it contains a provision for the temporary formation of a "special police force" to protect the borders in case of a "threat of external aggression."

The Judicial Technical Police (PTJ), a semiautonomous body with leadership appointed by the Supreme Court, was a separate branch of law enforcement under the Attorney General's Office that performed criminal investigations in support of public prosecutors. The Ministry of Government and Justice oversaw the PNP, the SMN, and the SAN; the Ministry of the Presidency supervised the SPI. Police forces responded to civilian authority, had civilian directors, and had internal review procedures to deal with police misconduct. There were occasional reports of abuse by some members of the security forces.

The economy, which uses the U.S. dollar as currency (calling it the Balboa), was based primarily on a well developed services sector that accounted for about 80 percent of gross domestic product (GDP). The country had an estimated population of 2.9 million. GDP growth was negligible for the past 2 years, poverty worsened, and income distribution remained highly skewed, with growing disparities between rich and poor. Unemployment was officially estimated at 13.7 percent; however, private economists believed that it might be several points higher.

The Government generally respected the human rights of its citizens; however, there continued to be serious problems in several areas. Abuse by prison guards, both PNP and civilian, was a recurrent problem of the prison system. Overall prison conditions remained harsh, with periodic outbreaks of internal prison violence. Prolonged pretrial detention was a problem.

The judiciary was subject to political manipulation, and the criminal justice system was inefficient and often corrupt. There were complaints that in some cases police failed to follow legal requirements and conducted unauthorized searches and monitored communications. The media were subject to political pressure, libel suits, and punitive action by the Government. Violence against women remained a serious problem.

Women held some high positions in Government, including the presidency; however, discrimination against women persisted. Discrimination against indigenous people, blacks, and ethnic minorities continued to be a problem. Worker rights were limited in export processing zones. Child labor was a problem. Trafficking in persons was a continuing problem. Panama was invited by the Community of Democracies' (CD) Convening Group to attend the November 2002 second CD Ministerial Meeting in Seoul, Republic of Korea, as a participant.

## RESPECT FOR HUMAN RIGHTS

### Section 1 Respect for the Integrity of the Person, Including Freedom From:

#### a. Arbitrary or Unlawful Deprivation of Life

There were no reports of the arbitrary or unlawful deprivation of life committed by the Government or its agents.

On July 15, a 13-year-old indigenous Wounaan girl, Aida (or Ayda) Chirimia, in the Darien village of Biroquera, was shot and

killed by a single bullet from a 7.62 millimeter machine gun, reportedly within the local national police compound. The PNP reported that the gun fell and went off accidentally; there were no indications of suicide or a self-inflicted accident. No autopsy was performed. When the gun was sent to the PTJ, reportedly the pin had been mashed, making an investigation nearly impossible. At year's end, the PNP was awaiting ballistic test results from the Public Ministry, which was in charge of the overall investigation. Meanwhile, the Wounaan leaders had access to a volunteer lawyers' association.

In August 2001, the bodies of two men were found at the beach of Punta Chame. Their deaths were linked to two off-duty PNP officers who were dismissed and detained. An investigation into the killings, conducted by the Fourth Superior Prosecutor, continued at year's end.

In April the Truth Commission, established by President Moscoso in January 2001 to investigate killings and disappearances believed to have occurred under the 1968-89 military dictatorship, released its final report (see Sections 1.b and 4.) Among the cases the Commission investigated was that of an unmarked grave discovered in 1999 on the grounds of a former military base near Panama City that contained the remains of leftist leader Heliodoro Portugal. Three former members of the National Guard—captains Rigoberto Garibaldo, Aquilino Seiro, and Moises Correa—were linked to Portugal's kidnapping and killing. The authorities placed Garibaldo under house arrest, forbade the two others from leaving the country, and reopened the case.

Guerrillas from the terrorist organization Revolutionary Armed Forces of Colombia (FARC) and other Colombian armed groups operated along the border with Colombia and reportedly made occasional deeper incursions into the country. In December a decapitated body was found washed ashore near Jaque, Darien Province. At year's end, the case was under investigation.

#### b. Disappearance

There were no reports of politically motivated disappearances.

In August and October 2001, and again in January, a team of foreign forensic anthropologists carried out investigations for the Truth Commission. The team located human remains in numerous locations in five provinces of the country. DNA tests on most of the remains located were underway, but only the remains of Heliodoro Portugal had been positively identified. On December 19, the head of the Truth Commission asked the Attorney General to reopen investigations into four additional disappearances from the late 1960s and early 1970s (see Sections 1.a. and 4).

The Hector Gallego Committee for Disappeared Relatives maintained a list of 120 persons who disappeared during the military dictatorships and who remained missing.

FARC guerrillas (and possibly other Colombian armed groups) reportedly engaged in occasional kidnappings of persons along the border with Colombia; they also harassed and raped residents in Darien Province.

#### c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment

The Constitution prohibits the use of measures that could harm the physical, mental, or moral integrity of prisoners or detainees, and the public security forces generally performed in a professional and restrained manner. However, there was at least one reported case of excessive use of force against prison inmates during the year, and abuse by prison guards was an occasional problem. The General Penitentiary Directorate (DGSP) asserted that the problem had been reduced and that only minor incidents occurred.

The law providing the legal basis for the PNP includes specific guidelines for the use of force, including deadly force; requires that police officers respect human rights; and prohibits instigation or tolerance of torture, cruelty, or other inhuman or degrading behavior. Although not all PNP personnel were trained in the use of force, the PNP provided more training during the year.

The PTJ and the PNP have offices of professional responsibility that act as internal affairs organs to hold officers accountable for their actions. Both have staffs of independent investigators as well as administrative authority to open internal investigations. In both organizations, a defined legal process is followed in which, upon completion of the process, the respective director of the PTJ or PNP has the final authority to determine the disposition of each case.

The PNP deputy director and secretary general addressed human rights problems that arose in the police force. The offices of professional responsibility were well known in the community, and the rate of complaints remained generally constant in the PTJ office. During the year, the Office of the Human Rights Ombudsman received 62 complaints against the police for abuse of authority (see Section 4). Through late December, the PNP Office of Professional Responsibility received 568 complaints, an average of 11 complaints per week, an increase from 10 per week in 2001. The office investigated and closed 179 complaints without action, dismissed 41 cases for lack of sufficient evidence, penalized officers in 59 cases, and dismissed 29 officers for corruption, burglary, or bribery. Penalties included reduction in rank, dismissal, and in severe cases, criminal prosecution.

The PTJ received complaints from the public, and officers could make anonymous complaints of corruption and other problems.

By late December, the PTJ Office of Professional Responsibility had conducted 210 investigations, which resulted in the dismissal of 21 agents. The majority of open cases were for mishandling official property such as misplacing guns or radios, and misconduct or improper behavior when off duty.

Corruption among police officers remained a problem. In some cases, PNP and PTJ directors enforced other disciplinary measures against officers with proven involvement in illicit activities; however, both organizations only reacted to egregious abuses, due to a lack of staff, independence, and institutional priority.

During the year, police generally exercised restraint in their treatment of street protesters. In August rioting broke out in Colon for 2 days, and the PNP fired rubber bullets not aimed directly at the protesters (see Section 2.b.).

Prison conditions remained harsh and, in some cases, life threatening, due largely to budget constraints. As of December, the prison system, which had an official capacity for 7,348 persons, held 10,529 prisoners. Most prisons were dilapidated and overcrowded, although Nueva Esperanza prison was newly refurbished. Many of the problems within the prisons resulted not only from obvious overcrowding but also from the lack of separation of inmates according to the type or severity of the crime committed. Pretrial detainees shared cells with sentenced prisoners, in part due to lack of space.

Medical care was inadequate, and prisoners sometimes suffered because of the negligence of the guards. Tuberculosis, AIDS, and other communicable diseases were common among the prison population. The European Union funded some legal, medical, and dental staff for prisons, and there was at least one doctor in each major facility. As of December, there were a total of 18 deaths in prisons during the year: 15 from illnesses, 2 from inmate murder, and 1 suicide.

There were some minor improvements in the prison system overall, including more training of civilian prison guards and PNP guards, who received courses on inmates' rights and penitentiary procedures, especially targeted at new officers and custodians. Other improvements included limited Internet access and computer literacy training for the first time in some women's prisons, more opportunities for work and training in prison, and more construction of new facilities.

Abuse by prison guards, both PNP and civilian, was a recurrent problem. Police officials acknowledged that they received and investigated 27 cases during the year; 20 for abuse of authority, and 7 for mistreatment of prisoners.

In November PNP guards reportedly hit and sprayed tear gas on 18 prisoners in the David prison; 2 were sent to the local hospital. Some prisoners then began a limited hunger strike. The Minister of Government and Justice ordered an investigation, and the PTJ director said that such events occurred on a regular basis in the prisons. At year's end, the Public Ministry was investigating the incident.

In one high-profile case of guard abuse, 10 members of the PNP were suspended for beating naked prisoners with baseball bats in the (since closed) Modelo prison in 1998; they were convicted and jailed awaiting sentencing at year's end.

The main prisons in Panama City included La Joya (a maximum-security facility), Tinajitas, the Feminine Center (women's prison), and the Juvenile Detention Center. Two additional facilities, La Joyita and El Renacer, held inmates generally accused of less serious crimes.

La Joya, holding most prisoners accused of serious crimes, had a planned capacity of 1,500 but housed 2,278 inmates in December. Gang violence was a problem. Conditions at La Joyita remained problematic, including inmate claims of severe overcrowding, poor sanitation, and abuses by prison custodians against inmates. At year's end, the facility held 2,444 inmates; it was designed to hold 1,770 inmates. Conditions on the island penal colony of Coiba remained harsh and dangerous. The DGSP no longer sent inmates to Coiba and planned to close it; in December the number of inmates had dropped to 52, compared with 114 in 2000. Coiba prisoners suffered from malnutrition and shortages of potable water.

Prison conditions in Colon province also were harsh. Although Nueva Esperanza, a consolidation and update of an older prison in Colon, opened during the year, by December its intended capacity of 800 was already exceeded, as it held 1,222 prisoners. In Nueva Esperanza, both male and female pavilions had separate sections for inmates convicted of administrative felonies, so they were not put together with inmates convicted of violent crimes.

The former public prison frequently had no running water or functioning sewage system and failed to provide the most basic health needs, and the DGSP no longer had any inmates there. The PNP still used it for short periods of time when they had a detainee under their responsibility, but transferred persons to Nueva Esperanza prison as soon as possible.

There were prisons of significant size in David and Santiago. Small jails attached to local police stations around the country sometimes housed prisoners for the entire length of their sentence. The authorities frequently did not address cases of abuse and neglect in these provincial jails, due to their low profile in the prison system. Early in the year, the Ombudsman visited La Chorrera prison in Panama province to highlight the extremely dilapidated conditions there.

In December 25 prisoners in the Santiago prison in Veraguas province initiated a hunger strike to protest "physical and social mistreatment" by jail authorities, alleging that they did not provide medical care, damaged inmates' personal effects, and made

family visits difficult. The penal authorities denied these claims and asserted that these prisoners were treated well, and often had relatives and friends bring in drugs and weapons. At year's end, the matter was under investigation.

The DGSP largely depended on 1,500 PNP officers to supply both internal and perimeter security at all prisons. There were over 250 civilian corrections officers (or "custodians"), but due to insufficient funding, the DGSP was not able to hire new civilian custodians during the year. As a result, regular PNP officers still were used to fill staffing gaps. PNP officers were sometimes untrained for prison duty and found the assignment distasteful, which contributed to tension and abuses within the prison system. The Government sent 30 civilian custodians to a 4-month training program in Colombia. Custodians handled inmates within La Joya, El Renacer, and the central women's prison, which used only female guards. The DGSP did not have authority to discipline prison guards with criminal or civil sanctions; only the PNP disciplinary board could sanction a PNP agent or a custodian.

Throughout the country, conditions at women's prisons and at juvenile detention centers were noticeably better than at adult male prisons. However, female prisoners, especially those in the primary detention area, reportedly suffered from overcrowding, poor medical care, and lack of basic supplies for personal hygiene.

There was one modern juvenile detention center near Panama City; however, several juvenile detention centers throughout the country suffered from inadequate resources to provide for education or adequate supervision of children, many of whom spent the majority of their time in a bare cell.

About 9 percent of prison inmates were foreigners (primarily Colombians), most of whom were serving sentences on drug charges. Although Panama and Colombia had a prisoner exchange treaty, the Government complained that Colombia did not respond or was very slow to comply with requests to accept prisoners, reportedly due to overcrowded conditions in Colombian prisons.

The law and the Penal Code provide for conditional release programs for inmates charged with minor offenses who have served a substantial part of their sentence; however, this provision was not implemented consistently in practice. A conditional release program was part of the organizational reforms that authorities introduced in 1998. During the year, the DGSP provided conditional release forms to the President for her signature in a more timely manner than in previous years.

The Government generally allowed prison visits by independent human rights observers. However, the authorities arranged appointments ahead of time, and monitors generally spoke to prisoners in the presence of guards or administrators. Prisoners expressed fear of retaliation if they complained. Justicia y Paz, the Catholic Church's human rights monitoring group, brings prison abuses to the attention of the authorities.

#### d. Arbitrary Arrest, Detention, or Exile

The Constitution stipulates that arrests must be carried out with a warrant issued by the appropriate authorities, and the Government generally respected this provision in practice. Exceptions were permitted when an officer apprehended a person during the commission of a crime, or when an individual interfered with an officer's actions. The Constitution also provides that suspects are to be brought promptly before a judge; however, lack of prompt arraignment remained a problem during the year. The law requires the arresting officer to inform the detainee immediately of the reasons for arrest or detention and of the right to immediate legal counsel, to be provided to the indigent by the State (see Section 1.e.). Police arrested and detained children for minor infractions during neighborhood sweeps (see Section 5).

The Constitution also provides for judicial review of the legality of detention and mandates the immediate release of any person detained or arrested illegally. The Constitution prohibits police from detaining suspects for more than 24 hours without bringing them before a judge. Under the law, the preliminary investigation phase may last from 8 days to 2 months and the follow-on investigation phase another 2 to 4 months, depending on the number of suspects. The courts frequently granted extensions of time limits, leaving those accused in detention for long periods without having been charged formally. The law permits these extensions; however, many legal authorities (including court officials) criticized judges for excessive use of this measure.

Extended pretrial detention continued to be one of the most serious human rights problems, due in part to the elaborate notification phase in criminal cases. According to government statistics, as of December, 5,821 prisoners were pretrial detainees, or about 55 percent of the prison population. The average period of pretrial custody was 12 months, and pretrial detention in excess of the maximum sentence for the alleged crime was common.

Legal alternatives to prison existed; however, they were not implemented widely. Options such as house arrest were used in some cases involving the elderly or minors but required that the defendants have access to and understanding of their legal options. There was a limited program of work or study in lieu of some sentences.

The Constitution prohibits exile; there were no reports of forced exile.

#### e. Denial of Fair Public Trial

The Constitution provides for an independent judiciary; however, the judiciary was susceptible to corruption and outside influence, including manipulation by other branches of government.

The President appoints nine Supreme Court magistrates to 10-year terms, subject to Legislative Assembly ratification. The Supreme Court magistrates appoint appellate (Superior Tribunal) judges, who, in turn, appoint circuit and municipal court judges in their respective jurisdictions. Judicial appointments are supposed to be made under a merit-based system, but the top-down appointment system lent itself to political influence and undue interference by higher-level judges in lower-level cases in which they often had no jurisdiction.

At the local level, mayors appoint administrative judges, or "corregidores," who exercise jurisdiction over minor civil cases and who hold wide powers to arrest and to impose fines or jail sentences of up to 1 year. In the past this system had serious shortcomings: Defendants lacked adequate procedural safeguards; administrative judges outside of Panama City usually were not attorneys; many had not completed secondary education; and some were corrupt. In practice, appeal procedures were nonexistent. The authorities encouraged corregidores to improve their procedures, and the number of local sentences imposed declined from 3,000 to 500 over 3 years. Nonetheless, affluent defendants still tended to pay fines while poorer defendants went to jail, which contributed to prison overcrowding (see Section 1.c.).

In 1998 the Inter-American Development Bank loaned the Government \$18.9 million to reform the judicial system; the Government contributed another \$8.1 million to the program. Intended to improve judicial training, strengthen the investigative capabilities of the Attorney General's office, and reduce the civil courts' backlog of cases, the program was scheduled to continue through 2004.

The Constitution provides that persons charged with crimes have the right to counsel, to be presumed innocent until proven guilty, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. If not under pretrial detention, the accused could be present with counsel during the investigative phase of the proceeding. Judges could order the presence of pretrial detainees for the rendering or amplification of statements, or for confronting witnesses. Trials were conducted on the basis of evidence presented by the public prosecutor. Under limited circumstances, the law permits trials without the accused being present. The Constitution and the Criminal Procedure Code provide for trial by jury at the defendant's election, but only in cases where at least one of the charges is murder.

The Constitution obliges the Government to provide public defenders for the indigent. However, many public defenders were appointed late in the investigation, after the prosecutor already had evaluated the bulk of the evidence and decided either to recommend trial or to dismiss the charges. Public defenders' caseloads remained extremely high, averaging some 550 cases per attorney per year. Only 5 new public defenders have been hired since 1992; there were 38 nationwide, with a similar number of assistants. This heavy workload undermined the quality of representation, with many prisoners meeting their public defender for the first time on the day of trial. The inadequate number of public defenders also caused a backlog in trial dates, which also contributed to the problem of prison overcrowding.

There were no reports of political prisoners.

#### f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

The Constitution provides for the inviolability of the home, private papers, and telephonic communications, and the Government generally respected these rights in practice; however, there were complaints that in some cases law enforcement authorities failed to follow legal requirements and conducted unauthorized searches. In an effort to prevent unauthorized searches, the Public Ministry placed a representative, whose job was to approve searches, in each of the PTJ's divisions. The authorities may not enter private residences except with the owner's permission or by written order from the appropriate authority for specific purposes, such as entry to assist the victims of crime or disaster or to conduct lawful health and safety inspections. The authorities may not examine private papers and correspondence, except as properly authorized by competent legal authority and in the presence of the owner, a family member, or two neighbors.

Although the Constitution prohibits all wiretapping, the Government maintained that wiretapping with judicial approval was legal, and that the Attorney General may authorize a wiretap when confronted with probable cause in a serious crime. The law allows the Public Ministry to engage in undercover operations, including "videotaping and recording of conversations and telephonic communications." In November a controversy developed when it was reported that wiretapping took place under presidential authority for alleged national security reasons. The Supreme Court had not issued a final ruling on whether wiretapping was constitutional, but it remained an established practice.

### Section 2 Respect for Civil Liberties, Including:

#### a. Freedom of Speech and Press

The Constitution provides for freedom of speech and of the press; however, the Government sometimes did not respect these rights in practice, and at times the media were subject to political and economic pressure. The Government and public figures made frequent use of libel and "disrespect for authority" laws to confront and attempt to intimidate journalists who allegedly

were "irresponsible" or who besmirched the honor of a particular government institution or leader.

There was an active and often adversarial press and a broad range of print and electronic media outlets, including newspapers, radio and television broadcasts, and domestic and foreign cable stations. Five national daily newspapers, 4 commercial television stations, 2 educational television stations, and approximately 100 radio stations provided a broad choice of informational sources; all were privately or institutionally owned except for 1 government-owned television station. The law prohibits newspapers from holding radio and television concessions, and vice versa. While many media outlets took identifiable editorial positions, the media carried a wide variety of political commentaries and other perspectives, both local and foreign. There was a concentration of control of television outlets in the hands of close relatives and associates of former President Perez Balladares, who was a member of the largest opposition party.

Domestic and foreign journalists worked and traveled freely throughout the country. The law requires directors and deputy directors of media outlets to be citizens.

On January 22, a new "transparency law" took effect, providing for the public to obtain information from and about public entities. In June the President issued an executive decree, ostensibly codifying the law, but which severely limited it by imposing new and highly cumbersome regulations for those wishing to acquire public information. Several dozen requests were made under the new law, and most were not honored by the institutions; through October, 45 had been appealed to various courts but only 8 were approved. The Ombudsman and other groups asked that the decree be declared unconstitutional. The Solicitor General opined that it was unlawful and asked for a three-member bench of the Supreme Court to review it, which was underway at year's end.

Under "gag laws" dating from the military dictatorship, the Government has legal authority to prosecute media owners and reporters for criminal libel and calumny. A special executive branch authority had discretionary powers to administer the libel laws, which provided for fines and imprisonment for up to 2 years. Under the statute, opinions, comments, or criticism of government officials acting in their official capacity were exempted specifically from libel prosecution; however, a section of the law allowed for the immediate sanctioning of journalists who showed "disrespect" for the office of certain government officials. A 1999 law eliminated gag laws; however, legal actions against many journalists remained pending, and vestiges of the former gag laws still provided a means for charging journalists with defamation. The IACHR, the Inter-American Press Association, Reporters Without Borders, and other groups criticized these measures as efforts to censor the press. The domestic media faced increased pressure during the year from elements in the Government for criticizing policies or officials. As of December, the Ombudsman reported 50 active cases of journalists facing defamation charges brought under the criminal justice system. In 40 completed cases, the courts sentenced journalists in 23 instances; the others were dismissed or the accused found not guilty.

The appeal of El Siglo newspaper editor Carlos Singares of his 1999 conviction for criminal libel and his sentence to 20 months in prison was pending at year's end. While Singares was in jail due to articles accusing Attorney General Jose Antonio Sossa of illicit activities, a court sentenced him to 20 months in prison for criminal libel against former President Perez Balladares. Singares was free during his appeal.

A court upheld the 2000 conviction of Jean Marcel Chery, a reporter for the daily newspaper Panama America, for criminal libel and confirmed the sentence of 18 months in jail and a fine of \$400.

In September 2001, the Moscoso Administration ordered the arrest of Ubaldo Davis and Joel Diaz, two editors of the weekly tabloid La Cascara, for libel and for impugning the honor of various administration officials, including the President. In July a court acquitted Diaz but found Davis guilty and sentenced him to 14 months in prison and a suspension from practicing his profession for 12 months. The judge allowed the prison sentence to be replaced by a \$1,500 fine, which Davis appealed, but an appellate court upheld the judge's decision.

In October 2001, a former vice president filed charges against editorial cartoonist Julio Briceno for lampooning him in the daily newspaper La Prensa. Briceno asked that the case be dismissed; during the year his request was denied, as was an appeal, and he could not leave the country pending trial.

In 1998 then-PNP Director Jose Luis Sosa used the libel laws to bring charges against law professor and former Moscoso adviser Miguel Bernal for statements that criticized the PNP. In May 2001, Bernal appealed, which was denied in September 2001. Bernal then appealed the denial, and in May a judge dismissed the case. Human rights advocates called it a victory for press freedom.

The press laws provide for the establishment of a censorship board, which monitored radio transmissions and had the authority to fine stations that violated norms regarding vulgar, profane, or obscene language.

The Government did not restrict access to the Internet.

The Government did not restrict academic freedom.

#### b. Freedom of Peaceful Assembly and Association

The Constitution provides for the right of peaceful assembly, and the Government generally respected this right in practice. No authorization is needed for outdoor assembly, although prior notification for administrative purposes is required. Throughout much of the year, police showed restraint and professionalism while monitoring large protests by students, political activists, prisoners, and workers; however, police commonly used tear gas against protesters.

There were several public demonstrations throughout the year, including a major public protest against corruption held in Panama City. Several times during the year, rural groups protested against the presence of Panama Canal authorities in the watershed and potential expansion of the canal. In August rioting broke out in Colon for 2 days, ostensibly to protest the persistently high unemployment there. Stores and street markets were shut down, and protesters reportedly damaged a few cars. The PNP fired rubber bullets not aimed directly at protesters, who responded with marbles.

The Constitution provides for the right of association, and the Government generally respected this right in practice. Citizens had the right to form associations and professional or civic groups. New political parties must meet strict membership and organizational standards to gain official recognition and participate in national campaigns.

#### c. Freedom of Religion

The Constitution, although recognizing Catholicism as "the religion of the majority of Panamanians," provides for free exercise of all religious beliefs, provided that "Christian morality and public order" are respected. The Government generally respected religious freedom in practice, and there was a broad diversity of religions.

The Constitution prohibits clerics from holding public office, except as related to social assistance, education, or scientific research. However, Catholicism enjoyed certain state-sanctioned advantages over other faiths. For example, the Constitution mandates that Catholicism be taught in public schools, although parents had the right to exempt their children from religious instruction.

For a more detailed discussion see the 2002 International Religious Freedom Report.

#### d. Freedom of Movement Within the Country, Foreign Travel, Emigration, and Repatriation

The Constitution provides for these rights, and the Government generally respected them in practice. The Government enforced exit permit requirements for foreigners who overstayed their initial visas. A 9:00 p.m. curfew for unaccompanied minors in the Panama City area remained in effect, although enforcement generally was lax.

The law provides for granting refugee status in accordance with the 1951 U.N. Convention Relating to the Status of Refugees and its 1967 Protocol. A 1998 decree grants protection to all persons entering the country due to "state persecution based on race, gender, religion, nationality, social group, or political opinion." The decree grants 2 months' temporary protection to "displaced persons" in the case of a large influx. The U.N. High Commissioner for Refugees (UNHCR) criticized the decree because it put persons at risk for forced repatriation within a few weeks of entering the country, without analysis of their possible refugee status. In practice, the Government did not enforce the 2-month time limit. The Government has not forcibly repatriated displaced Colombians, and many Colombians have lived in the country for years without formal refugee status.

The 1998 decree contains provisions for first asylum, and there were 87 new asylum applications during the first 6 months of the year. During the year, the authorities granted refugee status to 47 Colombians, rejected 26 applications, and asked 10 applicants for more information. The Government generally cooperated with the office of the UNHCR and other humanitarian organizations in assisting refugees. However, the Government generally was reluctant to classify displaced Colombians as refugees because of historic ties and the amount of movement between border communities. The UNHCR regularly visited the country to monitor and to aid displaced Colombians. The authorities refused entry to many Colombians who arrived by air and could not show that they had at least \$500.

Large groups of displaced persons periodically fled violence in Colombia by crossing the border into Panama. In 1999 approximately 800 Colombians fled violence in the Colombian town of Jurado and settled in the Darien town of Jaque. Since their arrival, the Government has cooperated with the Catholic Church and the UNHCR to provide these displaced persons with humanitarian assistance. It was difficult to estimate the number of displaced persons living temporarily in Darien because many entered and departed over short periods of time; others were in transit and hoped to go to other nations; and many did not report to any Government office or NGO. There also were a number of citizens from countries such as Brazil, Ecuador, Peru, and African nations living there. Estimates of Colombians living in the Darien varied from 500 to 2,000; most placed the number around 1,500. According to the UNHCR, there were 763 Colombians under temporary protective status in the country.

The Government offered Colombians the chance to participate in a voluntary repatriation program in coordination with the Government of Colombia, and many agreed to return. The Government, along with the UNHCR and the Catholic Church, provided displaced Colombians with food, medical care, and access to public services, including schools and clinics. The Government provided these services in Jaque and other areas of the Darien. However, many displaced Colombians living along the remote Darien border area were beyond the reach of organized assistance from the Government, the UNHCR, or the

Church.

Colombian migration significantly increased pressures on local populations in the Darien and caused the displacement of Panamanian citizens. In addition, the Government suspected that Colombian migration concealed or attracted the presence of armed Colombian groups in the Darien region (see Sections 1.a and 1.b.). The effects of Colombian migration also were evident in Panama City and Colon, where large populations of Colombians have settled. Late in the year, the new Minister of Government and Justice ordered a census of Colombians living in the country.

There were no reports of the forced return of persons to a country where they feared persecution; however, throughout the year, there were unconfirmed reports that the police along the border, on a case-by-case basis, required Colombians to return to Colombia.

### Section 3 Respect for Political Rights: The Right of Citizens to Change Their Government

The Constitution provides citizens with the right to change their Government, and citizens freely exercised this right in the 1999 general elections. The Constitution provides for a representative democracy with direct popular election by secret ballot of the President, two vice presidents, legislators, and local representatives every 5 years. Naturalized citizens may not hold certain categories of elective office. The independent Electoral Tribunal arranges and supervises elections. While the Constitution provides for independent legislative and judicial branches, the executive dominated in practice. The Government respected the rights of its citizens to join any political party, propagate their views, and vote for candidates of their choice.

In May 1999, Arnulfista presidential candidate Mireya Moscoso defeated Democratic Revolutionary Party (PRD) candidate Martin Torrijos and Christian Democratic Party candidate Alberto Vallarino, winning 44.8 percent of the popular vote. Domestic and international observers characterized the elections as generally free and fair; however, several local contests were marred by reports of vote buying. Until September 2000, President Moscoso maintained a one-vote majority in the Legislative Assembly, which she lost when the party's coalition realigned. In September Moscoso's party regained control of the Assembly through an ad hoc coalition that included renegade opposition party legislators.

In October there was a possible theft of citizen identity cards, which could be used to commit electoral fraud. The electoral tribunal took a series of measures to restore citizen confidence and to issue new, more secure, identity cards. It also turned to the international community to request assistance to monitor the election process and to restore the integrity of the electoral system.

Several members of the main opposition PRD party alleged that there was undue presidential influence over the judiciary and the electoral tribunal, which heard a case of expulsion against one of the renegade PRD legislators as the Assembly leadership was being selected. PRD officials also asserted that appointments to the Supreme Court were made to lay the groundwork for potential electoral fraud in 2004.

There were no legal barriers to participation in government or politics by women, members of minorities, or persons of indigenous descent, and women's participation increased in the past several years. Mireya Moscoso was the country's first female president. Women held 7 of 71 Legislative Assembly seats; a woman served as the Assembly's first vice president in 1999-2000, another woman held this position for the 2000-2001 legislative period, and a third woman was elected for the 2001-02 period. Three women held positions in the 13-member Cabinet, 1 female judge remained on the Supreme Court, and a woman was the director of the Public Registry.

The Government provided semiautonomous status to several indigenous groups in their homelands, including the Kuna Yala, Ngobe-Bugle, Embera Wounaan, Kuna de Madungandi, and Kuna de Wargandi comarcas (reserves). There were dedicated seats for two Kuna Yala legislators in the Legislative Assembly, and three will be added for the Ngobe-Bugle comarca in the 2004 elections. Neither the Madugandi nor the Embera-Wounaan reserve had its own dedicated legislators, but each had a separate governor. In addition to the two Kuna Yala seats, legislators who were Ngobe-Bugle and Embera represented other districts in the Assembly.

### Section 4 Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights

Human rights organizations, including both religious and secular groups, operated without government restrictions. These organizations carried out a full range of activities, including investigations and dissemination of their findings. Organizations generally had access to government officials while conducting investigations.

The office of Human Rights Ombudsman received complaints from citizens regarding abuses or violations committed by public servants or government institutions, collected information, confronted accused public institutions or employees, and conducted studies to promote international human rights standards. Although the Ombudsman had no coercive authority beyond moral suasion, he could confront public institutions and employees with their misdeeds. In March 2001, the Legislative Assembly elected attorney Juan Antonio Tejada Espino as Ombudsman for a 5-year term.



For the 12 months ending in March, the Ombudsman's Office received 798 complaints against the Government. Of this number, 765 were against public institutions, and 33 were against businesses operating under a government concession. During the year, the Ombudsman acted as a mediator between the Government and medical associations in a 15-day medical strike; highlighted dangerous conditions in Chorrera and other prisons; encouraged the President's office to publish all its official expenses (salaries, trips, etc.); published a report on the Truth Commission and persons who disappeared; and assisted in two cases of citizens held abroad.

On April 18, the Truth Commission presented its final report to President Moscoso and Attorney General Sossa (see Sections 1.a. and 1.b.). The Commission collected eyewitness testimonials, domestic and foreign government documents, and anonymous information and received support from foreign forensic anthropologists to aid in its investigations. Ultimately, the commission investigated 110 cases, concluding that 70 persons were murdered, while 40 were still missing. One-half the cases were from 1969-72, 20 percent related to 1973-83, and 28 percent were from 1984-89. Eleven of the 1984-89 victims were murdered during the October 1989 attempted coup.

Although the official mandate of the Commission ended with its report, an office with a scaled-down staff continued to operate, awaiting DNA test results and excavating identified sites that were not completed during the Commission's 15-month mandate. This office continued to press the Public Ministry to open or reopen cases based on findings in its report. Additionally, and with COFADEPA (Committee of the Relatives of Panama's Disappeared) support, the Commission called upon the Government to create a public memorial and an official holiday in honor of the victims, to compensate victims' families, to bring human rights violators to justice, and to teach children about human rights violations in school. Although the Foreign Minister said that the Government should compensate victims' families, it took no action in response to these recommendations by year's end.

#### Section 5 Discrimination Based on Race, Sex, Disability, Language, or Social Status

The Constitution prohibits either special privileges or discrimination on the basis of race, birth status, social class, sex, or political views. However, societal prejudices persisted. Cases of discrimination were difficult to prove, and legal remedies for victims were complicated, time-consuming, and costly. There were unconfirmed reports of violence perpetrated against homosexual men.

##### Women

Domestic violence against women continued to be a serious problem. The 1995 Family Code criminalized family violence (including psychological, physical, or sexual abuse), but convictions were rare unless a death occurred. In September 2001, the code was revised to strengthen the penalties for domestic violence and to include penalties for domestic sexual assault. The PTJ registered 1,801 cases of domestic violence during the year, compared with 673 during 2001. As of November, the PTJ also received 506 cases of rape and 99 cases of attempted rape during the year, compared with 395 cases of rape and 82 cases of attempted rape in all of 2001. The Center for Women's Development estimated that victims reported as few as 20 percent of sexual assaults to judicial or law enforcement authorities. Spouses or other family members frequently were the perpetrators. The Foundation for the Promotion of the Woman, among other women's advocacy groups and government agencies, operated programs to assist victims of abuse and to educate women on their legal rights.

Trafficking in women was a problem (see Section 6.f.).

The Labor Code prohibits sexual harassment; however, it remained a problem. Anecdotal evidence suggested that many women were propositioned for sexual favors at the time of their initial job interview.

The 1995 Family Code recognizes joint or common property in marriages. However, insufficient resources hampered government efforts to enforce the code's provisions effectively. According to a Supreme Court justice, 80 family judges were required to handle this caseload; however, only 20 had been appointed due to lack of resources.

The Constitution mandates equal pay for men and women in equivalent jobs, but wages paid to women were on average 30 to 35 percent lower and increased at a slower rate. There were credible reports of irregular hiring practices based upon age and "appearance." A 1998 law prohibits discrimination on the basis of sex.

The Ministry of Women, Youth, Family, and Childhood was largely a consolidation of departments previously operating in other government ministries, and its activities did not attract a great deal of public attention. Through the National Directorate of Women and the Center for Gender Training, the Ministry promoted equality of women in the workplace and equal pay for equal work, attempted to reduce sexual harassment, and advocated legal reforms. A number of private women's rights groups concentrated on disseminating information about women's rights, countering domestic abuse, enhancing employment and other skills, and pressing for legal reforms.

##### Children

Minors (under 18 years of age) represented 37 percent of the population. Education is compulsory through the equivalent of 9th grade, but children did not always attend school due to traditional attitudes, financial considerations of the family, lack of

transportation, and insufficient government resources to enforce the requirement. The problem was most extreme in Darien Province and among indigenous groups. The Government furnished basic health care for children through local clinics run by the Ministry of Health, but clinics were difficult to reach from rural areas and often lacked medicine. A central children's hospital in Panama City operated with government funds as well as private donations.

The Ministry of Women, Youth, Family, and Childhood concentrated on child welfare problems such as children begging in the streets and roaming cities at night, infant and child malnutrition, and juvenile delinquency and gangs. The Ministry also sponsored a youth conference that attracted several thousand participants. A U.N. Development Program report showed that despite a relatively high proportion of public spending devoted to social programs, poor results on human development indicators suggested that the funds were not used efficiently.

The Superior Tribunal for Minors and Superior Tribunal for Families are judicial authorities charged with overseeing the protection and care of minors. The Minister of Women, Youth, Family, and Childhood acted much like an ombudsman, and the office proposed and reviewed laws and monitored government performance. Through November the PTJ registered 224 cases of child abuse, compared with 102 through September 2001. Neglect of children was a problem. Malnutrition and inadequate medical care were generalized problems, most severe among rural indigenous groups. Child labor and trafficking in children were problems (see Sections 6.d. and 6.f.).

Inadequate resources and training available to the family courts resulted in several controversial decisions, including one highly publicized case in which a child was returned to an abusive situation.

Juvenile courts continued to report a high incidence of juvenile delinquency in major urban areas. The authorities reported a continued increase in such crimes as drug trafficking, armed robberies, kidnappings, car thefts, and murders attributed to juveniles. Youth participation in criminal gangs was an increasing problem. Police arrested and detained children for minor infractions during neighborhood sweeps.

#### Persons with Disabilities

The Ministry of Education was responsible for educating and training minors with disabilities, while the Ministry of Women, Youth, Family, and Childhood protected the rights of adults with disabilities. Children with disabilities traditionally were separated from the general population; however, a 2000 law required schools to integrate children with special needs into the student body, and this law generally was enforced.

The Department of Labor was responsible for placing workers with disabilities in suitable jobs. Placement remained difficult despite a 1993 executive order granting tax incentives to firms that hire disabled employees. Persons with disabilities also tended to be paid less than employees without disabilities for performing the same job.

Panama City's building code requires that all new construction projects be accessible to persons with disabilities, with fines from \$100 to \$500 for noncompliance. A national law with similar requirements for new construction projects generally was enforced. Awareness of disability issues has increased, and commercial establishments increasingly provided and enforced handicapped parking spaces. However, basic services such as handicapped-accessible sidewalks and bathrooms were largely unavailable.

#### Indigenous People

The Constitution protects the ethnic identity and native languages of indigenous people and requires the Government to provide bilingual literacy programs in indigenous communities. Indigenous people have legal rights and take part in decisions affecting their lands, cultures, traditions, and the allocation of natural resources. Indigenous people numbered approximately 229,000 (8 percent of the population) and had the same political and legal rights as other citizens. The Government has passed legislation setting aside indigenous reserves for five of the country's seven native groups, including the Embera-Wounaan, Ngobe-Bugle, and Kuna. Tribal chiefs governed each reserve; they met in a general congress at regular intervals. The much smaller Bri-Bri (1,500 members) and Naso (2,800 members) tribes did not have enclaves; they resided near the border with Costa Rica. The Ministry of Government and Justice in Panama City maintained an Office of Indigenous Policy. Federal law is the ultimate authority on indigenous reserves, but local groups were allowed considerable local autonomy. For example, the Government recognized traditional indigenous marriage rites as the equivalent of a civil ceremony. Laws protect intellectual property rights of indigenous artwork and set up regulations for artisan fairs. Despite legal protection and formal equality, indigenous people generally had relatively higher levels of poverty, disease, malnutrition, and illiteracy than the rest of the population. The poverty rate among the entire indigenous population was estimated between 85 and 96 percent, depending on the group. Discrimination against indigenous people, although generally not overt, was widespread.

In July a 13-year-old indigenous Wounaan girl was shot and killed, apparently by accident, in a PNP compound (see Section 1.a.). Some indigenous leaders in Darien Province asked the PNP not to locate police compounds so close to or directly in a comarca and claimed that the PNP presence interfered with their culture and daily activities. The PNP stated that the police needed to be there precisely to protect the area from attacks from neighboring Colombia, and other indigenous groups asked the PNP to stay where they were.

Although their population suffers from poverty and malnutrition, Kuna leaders have succeeded in enforcing their territorial boundaries and maintaining their cultural integrity. A 190-acre Kuna Wargandi reserve was created in 2000. There were two

Kuna legislators (see Section 3). Other indigenous groups had not succeeded in using their autonomy to preserve their culture or develop economic independence. Most lived in extreme poverty and isolation. Illiteracy among indigenous groups was almost 50 percent, compared with 10 percent among the population as a whole.

Since indigenous populations infrequently mastered Spanish and were unfamiliar with the legal system, they often misunderstood their rights and failed to employ legal channels when threatened. The problem was exacerbated by government inattention to indigenous problems. For example, many Embera-Wounaan in the Darien were forced out of their reserves due to encroachment by settlers, loggers, and Colombian immigrants. The Ngobe also were under threat due to the isolation of their reserves, encroachment by settlers, and generalized poverty. Indigenous workers consistently did not receive the basic rights provided by the Labor Code, such as minimum wage, social security benefits, termination pay, and job security. Indigenous laborers in the country's sugar, coffee, and banana plantations worked under worse conditions than their nonindigenous counterparts. Indigenous migrant workers were unlikely to be provided with housing or food, and their children were much more likely to work long hours of heavy farm labor than nonindigenous children (see Section 6.d.).

#### National/Racial/Ethnic Minorities

The country is racially diverse, and minority groups generally have been integrated into mainstream society with overall success. However, discrimination against the country's newer immigrants, especially Chinese, often was overt. There were an estimated 150,000 to 200,000 persons of Chinese descent or admixture. Cultural differences and language difficulties hindered and possibly prevented many Chinese immigrants from fully integrating into mainstream society. In addition, Panamanians often resented Chinese immigrants. Racial slurs directed at Asians were used openly among the general population, and substantial numbers of first generation resident Chinese frequently were treated as second-class citizens. However, second and third generation Chinese were seen as distinct from recent immigrants and generally were accepted in society.

Middle Eastern and Indian residents, like the Chinese, also suffered from racially motivated discriminatory treatment. All three groups operated much of the country's retail trade, particularly in urban areas. Legal and illegal immigrants, especially Chinese, were accorded fewer legal protections than were citizens for their trade activities. A constitutional provision reserving retail trade for Panamanian citizens was not enforced in practice; however, immigrants legally could not own their businesses and sometimes encountered bureaucratic difficulties in practicing their professions.

Racism against blacks occurred, although it generally was expressed in more subtle terms. Afro-Panamanians made up about 14 percent of the population; mixed black and mestizo accounted for about 40 percent; however, blacks were conspicuously absent from positions of political and economic power. Antillean blacks, often identifiable by dress and speech pattern, were a particular target for racial slurs and poor treatment by citizens and by Spanish-speaking blacks. Their geographic clustering in the economically depressed province of Colon and poorer neighborhoods of Panama City heightened their isolation from mainstream society.

Black canal workers traditionally commanded significantly greater financial resources compared with blacks elsewhere in society, but many retired or emigrated, and there was some anecdotal evidence that the rest were being replaced by white personnel.

Mainstream political elites generally were unconcerned by the economic and social problems of black populations and a concomitant rise in drug use, crime, and gang violence. The country's white elite successfully marginalized citizens with darker skin through preferential hiring practices in the private sector and manipulation of government resources in the public sector. The predominately Afro-Panamanian city of Colon, on the Caribbean coast and the country's second largest city, suffered from a conspicuous lack of government services.

Racial discrimination against all ethnic groups was evident in the workplace. In general, light-skinned persons were represented disproportionately in management positions and jobs that required dealing with the public (such as bank tellers and receptionists).

#### Section 6 Worker Rights

##### a. The Right of Association

Private sector workers had the right to form and join unions of their choice, subject to the union's registration by the Government. A 1995 labor code reform established the minimum size of unions at 40 workers and streamlined the accreditation and registration process for unions by providing that if the Government does not respond to an application within 15 days, the union automatically gains recognition with all rights and privileges under the law. Employees of small companies may organize under a larger umbrella group of employees with similar skills and form a union as long as they number at least 40. The International Labor Organization (ILO) repeatedly criticized this 40-person limit and asked the Government to change it, with no response. The reformed code also allowed labor leaders to keep their union positions if fired from their jobs.

In February 2001, the Inter-American Court of Human Rights ruled that the firing in 1990 of 270 public sector electricity and telecommunications workers, which the Government justified based upon "public good" provisions in the law and the Constitution, was not legal and proper. The Court gave the Government until June 30, 2003, to present a report to justify its

decision and recommended that the workers be compensated, and that the Government also pay a fine. At year's end, the Labor Ministry was preparing a response to the Court's decision.

Approximately 10 percent of the total employed labor force was organized. There were 341 active unions, grouped under 39 federations and 10 confederations representing approximately 130,000 members in the private sector. Neither the Government nor political parties outwardly controlled or financed unions; however, the Government and political parties exercised political, ideological, or financial influence over some unions. The labor sector traditionally supported the PRD.

The 1994 Civil Service Law permits most government workers to form public employee associations and federations and establishes their right to represent members in collective bargaining with their respective agencies. It also provides a small core of civil servants with the right to strike, bargain collectively, and evade summary dismissal, except for those in areas vital to public welfare and security, such as the police and health workers. However, the law has proven insufficient to protect the country's 150,000 government workers, because only a small percentage were career members of the administrative civil service and therefore enjoyed job security. While the right to strike applied to some of the 10,000 career members, it did not apply to the approximately 140,000 other government workers. Public workers formed a union, but it had very limited rights and could not strike or bargain collectively. The ILO's Committee of Experts has observed for some years that the prohibition of public servants' associations is inconsistent with the country's obligations under ILO Convention 87.

The law governing the autonomous Panama Canal Authority prohibits the right to strike for its 9,000 employees, but does allow unions to organize and to bargain collectively on such issues as hours and safety.

Union organizations at every level may and do affiliate with international bodies.

#### b. The Right to Organize and Bargain Collectively

The Labor Code provides most workers, including all private sector workers, with the right to organize and bargain collectively, and unions exercised it widely. The law protects union workers from antiunion discrimination and requires employers to reinstate workers fired for union activities. The Ministry of Labor had mechanisms to resolve such complaints. The Civil Service Law allows most public employees to organize and bargain collectively and grants some of them a limited right to strike; however, 140,000 government workers did not have the right to bargain collectively or to strike. The 1994 Civil Service Act requires that at least 50 percent of the workforce continue to work in order to provide minimum service. The Labor Code establishes a conciliation board in the Ministry of Labor to resolve labor complaints and provides a procedure for arbitration.

In 1999 the Supreme Court ruled that an article of the Labor Code that obligated private sector strikers to submit to binding arbitration after a given period was unconstitutional. There were some strikes and protests during the year, especially in the banana and construction industries. None of the strikes led to widespread violence.

Employers commonly hired temporary workers to circumvent labor code requirements for permanent workers. Temporary workers were excluded from social security benefits, job security, and vacation time. In lower-skilled service jobs, employers often had some employees under "3-month contracts" for years, sometimes sent such employees home for a month, and then rehired them. Employers also circumvented the law requiring a 2-week notice for discharges by laying off some employees 1 day before the 3-month time period expired, or 1 week before a holiday. In addition, due to labor laws that made it difficult to fire employees of 2 years or more, it was not uncommon to hire workers for 1 year and 11 months and then to lay them off.

Labor law requires companies to submit copies of all labor contracts for permanent workers to the Labor Ministry for review to ensure compliance and requires the Labor Ministry to conduct periodic inspections of the work force. The Labor Ministry may levy fines against companies not in compliance with the law. However, these measures proved ineffective in practice. According to union sources, the practice of "blank" contracts that did not specify starting dates, in order that the employer could avoid longevity issues, was becoming more widespread.

Over the past 6 years, the Government issued cabinet decrees that precluded effective organization of unions in export processing zones (EPZs), including by restricting strikes and permitting negotiations with workers who are represented by a union. Unions asserted that this latter practice resulted in negotiations with employee groups that were dominated by employers. There were no collective bargaining contracts in the EPZs. The law requires mandatory arbitration of disputes, and it allows for the participation of an unrepresentative worker delegate in the tripartite (government, labor, and industry) arbitration commission. A strike is considered legal only after 36 workdays of conciliation were exhausted; otherwise, striking workers could be fined or fired. A 1998 ILO ruling noted that this regulation did not mention arbitration or specify procedures to resolve disputes in the courts and called on the Government to amend the EPZ labor regulations to conform with international norms; however, the Government did not make any changes in response to the ruling. Minimum wage provisions did not apply in the EPZs.

#### c. Prohibition of Forced or Bonded Labor

The Labor Code prohibits forced or bonded labor by adults and children; however, trafficking in women and children was a problem (see Section 6.f.).

#### d. Status of Child Labor Practices and Minimum Age for Employment

The Labor Code prohibits the employment of children under 14 years of age with some exceptions, and also prohibits the employment of children under age 15 if the child has not completed primary school. However, a 2000 government report estimated that 27,000 children between the ages of 12 and 14 work. Children under age 16 legally cannot work overtime, and those under age 18 cannot work at night. Children between the ages of 12 and 15 may perform light farm or domestic work, with the authorization of the Labor Ministry, as long as it does not interfere with their schooling. Many children reportedly worked on rural coffee and sugar plantations, as well as in the informal sector of the economy. The Labor Code provides that children between the ages of 14 and 16 may work 6-hour shifts per day that do not exceed 36 hours a week. The Labor Code includes a prohibition on employment of minors under the age of 18 in hazardous labor. The Ministry of Labor enforced these provisions in response to complaints and could order the termination of unauthorized employment. The Government acknowledged that it was unable to enforce some child labor provisions in rural areas, and it conducted only limited inspections, due to insufficient staff.

Child labor violations occurred most frequently in rural areas, during the harvest of sugar cane, coffee, bananas, and tomatoes. Farm owners usually paid according to the amount harvested, leading many laborers to bring their young children to the fields to help with the work. In many small rural communities, the entire able-bodied population participated in the harvest, and parents were not willing to leave their children behind unattended. Many children also were involved extensively in subsistence agriculture producing coffee and sugar; they worked with their families or were employed by independent plantations.

The problem of child labor in agricultural areas appeared to fall most heavily on indigenous families, who often were forced to migrate out of their isolated reserves in search of paid work (see Section 5). These frequent migrations not only interrupted schooling but also left the family vulnerable to sometimes unscrupulous contractors. The Government claimed that due to insufficient staff, it was unable to enforce child labor provisions in rural areas such as in the coffee and banana plantations near the border with Costa Rica, where government resources were especially scarce and children faced difficult conditions (see Section 6.e.).

Urban supermarkets used an estimated 1,500 children who bagged groceries for tips. Some of the children were as young as age 9, and many of them worked late hours, in violation of the Labor Code. Some supermarket managers claimed that the children actually were not employed by their firm, despite the fact that "baggers" conformed to schedules, wore uniforms, complied with company codes of conduct, and took orders from managers as if they were direct employees. The Government failed to act to reduce the general problem of urban child labor and did not challenge the larger supermarket chains where large numbers of children worked. Urban child labor problems also included children working as street vendors or performers, washing cars, and running errands for businesses or local criminal groups.

#### e. Acceptable Conditions of Work

The Labor Code establishes minimum wage rates for specific regions and for most categories of labor. The minimum wage ranged from \$0.80 per hour to \$1.50 per hour, depending on the region and sector. This wage was not sufficient to provide a decent standard of living for a worker and family. The Government last raised the base minimum wage in 2000 by approximately 13 percent. With inflation below 3 percent per year and despite strenuous private sector objections, the Government undertook a legally required review of the minimum wage in August but had not altered it by year's end. Most workers formally employed in urban areas earned the minimum wage or more; however, about one-third of the population worked in the large informal sector and earned far below the minimum wage. This was particularly the case in most rural areas, where unskilled laborers earned \$3 to \$6 per day, without benefits; the Government did not enforce labor laws in most rural areas. Public sector workers did not fall under the Labor Code and did not always receive the minimum wage. The minimum wage did not apply in the EPZs (see Section 6.b.).

The Labor Code establishes a standard workweek of 48 hours and provides for at least one 24-hour rest period weekly.

The Ministry of Labor is responsible for enforcing health and safety standards and generally did so. The standards are fairly broad and generally emphasize safety over long-term health hazards. Inspectors from both the Labor Ministry and the occupational health section in the Social Security Administration conducted periodic inspections of hazardous employment sites and responded to complaints; however, the Government failed adequately to enforce health and safety standards. Construction workers and their employers were notoriously lax about conforming to basic safety measures. In rural areas, the most severe lack of oversight in basic safety measures occurred in the banana industry, where poisoning by chemical agents was a recurrent problem. Workers complained of sterility and of adverse skin conditions as a result of exposure to the chemicals. In several plantations, indigenous workers were not provided with shelters, sanitary or cooking facilities, or fresh water; they also did not have machetes or gloves for their work. Complaints of health problems also continued in the cement and milling industries.

The law protects from dismissal workers who file requests for health and safety inspections. Workers also have the right to remove themselves from situations that present an immediate health or safety hazard without jeopardizing their employment. They generally were not allowed to do so if the threat was not immediate but may request a health and safety inspection to determine the extent and nature of the hazard.

## f. Trafficking in Persons

The Penal Code prohibits trafficking in women and children; however, trafficking remained a problem. The Penal Code provides for prison sentences of 2 to 4 years for the promotion or facilitation of the entry to or exit from the country of a person for the purposes of prostitution. In some circumstances, the penalty is increased to 6 years. Minor corruption, legal technicalities, and lack of resources contributed to the Government's inability to combat the problem fully. Traffickers occasionally bribed or evaded local law enforcement officials. Prostitution is not illegal; most prostitutes came with that explicit intention. During the year, police and immigration officials occasionally conducted raids on houses of prostitution.

The country was a destination for women and girls trafficked for sexual purposes from Colombia and the Dominican Republic. Trafficking in women and girls for sexual purposes occurred within the country, but the extent of the practice was unknown.

According to a report by the NGO International Human Rights Law Institute, trafficking assumed a cover of legality under a visa program for "alternadoras" (escorts) managed by the Directorate of Migration and the Ministry of Labor. In 2000 more than 700 women from Colombia were granted such visas for temporary work, stating the club or massage parlor where they intended to work, so most came with the explicit intention of prostitution rather than being deceived with promises of other employment. During the year, only about 40-50 alternadora visas were granted.

The country was primarily a transit point for aliens seeking to reach the United States, some of whom were trafficked into indentured servitude. The majority of the estimated 30,000 aliens transiting Panama originated in Ecuador and Peru, but a significant and increasing number came from India and China. Their travel was facilitated by a network of alien smugglers, travel agents, hotels, and safe houses. Prosecutions were rare, but one person was convicted for alien smuggling during the year. Anecdotal evidence indicated that illegal aliens transiting through the country were subject to frequent hardship. They commonly were deprived of adequate food and shelter. Chinese aliens particularly were vulnerable to poor treatment, and ultimately those trafficked for the purpose of forced labor were coerced into working off their debt, which could be as high as \$30,000, as indentured servants. The Government did not conduct educational campaigns to warn of the dangers of trafficking, and there were no programs to aid victims.